

**A Comprehensive Guide to the Laboratory's Processes  
and Procedures for Managing Prime Contract  
W-7405-ENG-48 for the 1992–1997 Contract Period**

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# Chapter 1

## Guide Description and Purpose

### Overview

<b>Introduction</b>	<p>This guide provides an overview of the 1992 to 1997 contractual arrangement between the University of California (University or UC) and the Department of Energy (DOE) for the management and operation of the Lawrence Livermore National Laboratory (LLNL or Laboratory) and describes the Laboratory's processes and procedures for managing its UC/DOE relationship. The UC/DOE contractual arrangement is established via Prime Contract W-7405-ENG-48 (Contract 48 or Prime Contract) which was renewed effective October 1, 1992, for a five year period.</p>
<b>Office of Contract Management</b>	<p>The LLNL Office of Contract Management (OCM) is the Laboratory's institutional point-of-contact with the UC and DOE for Prime Contract administration. It is the official recipient of formal communications from UC regarding:</p> <ul style="list-style-type: none"><li>• Contract 48 administration and interpretation</li><li>• Proposed contract modifications</li><li>• DOE directives.<sup>1</sup></li></ul>
<b>Comment</b>	<p>Formal Prime Contract communications, proposed contract modifications, and/or DOE directives received by the Laboratory in a manner other than described in this guide should be brought to the immediate attention of the OCM.</p>
<b>Maintenance and Distribution</b>	<p>The OCM is responsible for the publication, maintenance, and distribution of this guide. Copies of the guide are distributed to the Laboratory Director's Office, Associate Directors, organizations responsible for executing Prime Contract requirements, and the University. An official distribution list is maintained by the OCM for the provision of updates and/or revisions. The OCM also publishes an abbreviated version of this guide for general distribution entitled, <i>What You Need to Know about Contract 48 for the 1992-1997 Contract Period</i>. Copies of the comprehensive guide and abbreviated guide are available from the Technical Information Department (TID) Library Reference Desk.</p>
<b>Note</b>	<p>A glossary of terms used in this guide is provided as Appendix A.</p>

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<sup>1</sup> DOE directives may include DOE orders, notices, regulations, policy letters, etc. Refer to Chapter 4, Section A, for a detailed discussion of DOE directives.



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## Chapter 2

### An Overview of Contract 48

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**Definition** Contract 48 establishes the contractual arrangement between the UC and DOE for the management and operation of the Laboratory.

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**Purpose** The purpose of the Prime Contract is to encourage basic scientific progress and ensure adequate technical accomplishment in the interest of public welfare, while requiring sound management practices in the execution of Laboratory operations.

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**In this chapter** This chapter covers the following topics:

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# Scope of Work

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<b>Description</b>	<p>The underlying scope of work under Contract 48 includes:</p> <ul style="list-style-type: none"><li>• the maintenance of a strong, multi-disciplinary scientific and engineering base responsive to scientific issues of national importance;</li><li>• basic and applied research and military application of nuclear energy;</li><li>• work associated with the design, development, testing, safety and reliability of the weapons in the nuclear weapons stockpile;</li><li>• the advancement of science, math and engineering education;</li><li>• performance of technology transfer and work for others including programs designed to enhance U.S. competitiveness in the global economy; and</li><li>• management and operation of the Laboratory facilities and site.<sup>1</sup></li></ul>
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<sup>1</sup> Article III, Clause 1  
April 14, 1994

# Noteworthy Elements

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<b>Description</b>	<p>Noteworthy elements of the Prime Contract include:</p> <ul style="list-style-type: none"><li>• Preamble<sup>1</sup> — establishes the fundamental precepts of the contractual relationship;</li><li>• Performance-Based Management<sup>2</sup> — provides specific, objective standards for Laboratory management performance;</li><li>• Principles of Operation<sup>3</sup> — establishes the foundation for the UC/DOE relationship;</li><li>• Personnel Management<sup>4</sup> — adopts UC's comprehensive personnel policies;</li><li>• UC's Laboratory Administration Office<sup>5</sup> — establishes a functional unit within the University for management oversight of the Laboratory;</li><li>• Contract Modification<sup>6</sup> — establishes the processes for negotiating modifications to the Contract terms and conditions between the UC and DOE;</li><li>• Issues Resolution<sup>7</sup> — establishes a bilateral "common sense" approach for resolving contractual issues raised by the UC, DOE and/or Laboratory; and</li><li>• Costs and Expenses<sup>8</sup> — identifies items of allowable and nonallowable costs under the Contract.</li></ul>
<b>Comment</b>	<p>The term “contract modification” as used herein does not include financial Contract Modifications (also known as Contract Mods) administered by the LLNL Finance Department to amend the Laboratory’s Letter of Credit (i.e., funding and cost authority) under the Prime Contract.</p>

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<sup>1</sup> Article I

<sup>2</sup> Appendix F

<sup>3</sup> Article VI

<sup>4</sup> Appendix A

<sup>5</sup> Article V, Clause 6

<sup>6</sup> Articles XV and XX

<sup>7</sup> Article XVI

<sup>8</sup> Article VII, Clause 1

April 14, 1994

# Contract Format

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<b>Description</b>	<p>Contract 48 consists of 20 articles and 12 appendices. The list of articles is provided as Exhibit 1. Articles are further broken down into</p> <ul style="list-style-type: none"><li>• clauses,</li><li>• paragraphs, and</li><li>• subparagraphs</li></ul> <p>depending on the level of detail for a particular area. The list of Prime Contract appendices is provided as Exhibit 2.</p>
<b>Order of Precedence</b>	<p>As indicated under Article V, Cl. 2—Order of Precedence, disagreements between the University and the DOE concerning rights under the Prime Contract resulting from inconsistencies between one or more contract provisions shall be resolved in the following order:</p> <ul style="list-style-type: none"><li>• specially negotiated clauses, indicated by (Special) following the clause number and title and appendices,</li><li>• remaining clauses, and</li><li>• other documents incorporated by reference in the contract, including DOE Contracting Officer directives.</li></ul>

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# Accountability

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**Introduction**      The University and LLNL are accountable to the DOE under Contract 48 for:

Requirements: Complying with all legal, contractual requirements (hereafter called compliance requirements).

Goals: Striving to meet specific performance measurement goals in a broad range of administrative and operational areas.

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**Contract Compliance**      Definition: Contract compliance means that LLNL adheres to the terms and conditions of the Prime Contract.

Responsibility: Contract compliance is the responsibility of LLNL line-management and all LLNL employees.

Verification: LLNL's contract compliance is verified through a variety of means including:

- Self-assessments conducted by LLNL line management;
- LLNL internal reviews conducted by the Office of Management Review (OMR) and Internal Audit (IA);
- UC and DOE oversight of LLNL operations; and
- Audits, appraisals, and reviews of the Laboratory by the University, DOE, and other external audit agencies.

Non-Compliance: Failure to meet Prime Contract compliance requirements can result in financial and/or criminal liabilities for

- the University,
  - the Laboratory, and/or
  - the individuals involved.
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## Accountability, Continued

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### **Contract Performance Measurement Goals**

Definition: Contract performance measurement goals are specific, objective standards for Laboratory management performance that are negotiated annually between the UC, on behalf of the Laboratory, and the DOE.

Evaluation: These performance measurement goals, covered under Appendix F of the Prime Contract, are evaluated annually under a Laboratory self-assessment process that results in an overall performance rating for Laboratory management.

Performance: The evaluated performance level will determine

- the overall management performance rating of the Laboratory, and
  - the annual salary package for LLNL senior management in the Executive Merit Pool.
-

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# Chapter 3

## Organizational Roles and Responsibilities

### Overview

**Introduction** Organizational roles and responsibilities for Prime Contract administration are addressed at three levels: the University, the DOE, and the Laboratory.

**Relationship Chart** Figure 1 below provides an overview of the UC/DOE relationship as it relates to the Laboratory.

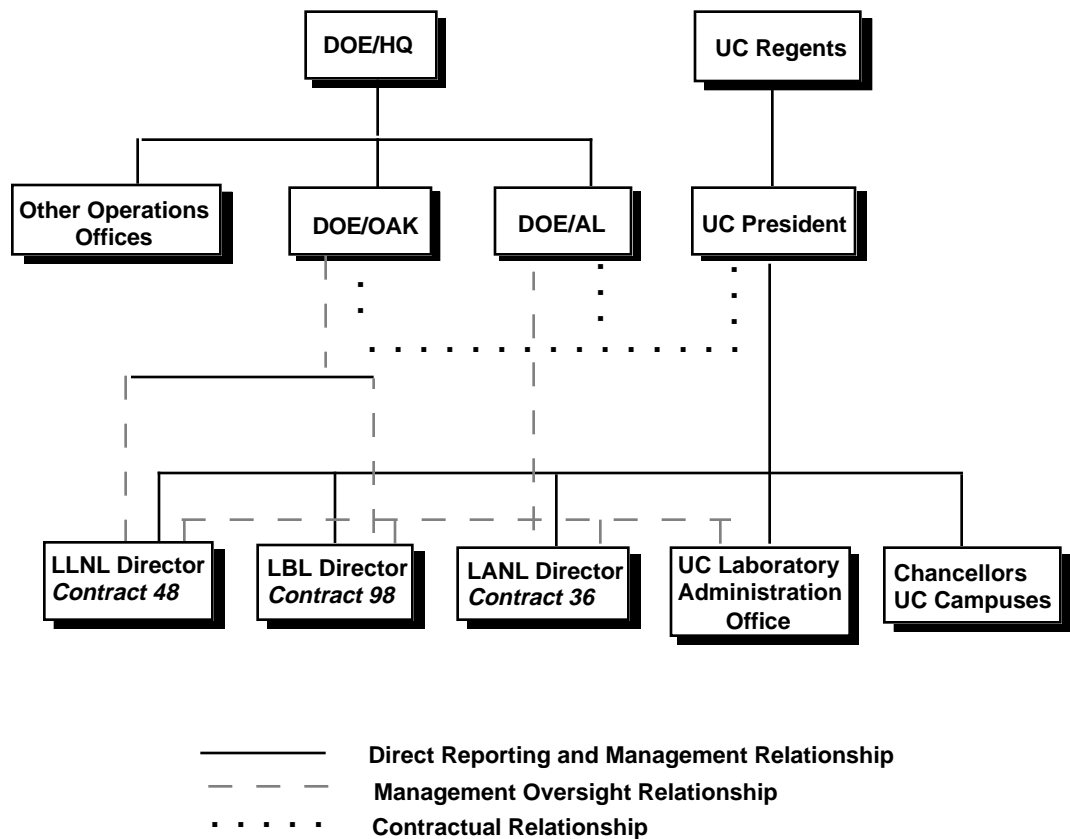


Fig. 1. UC/DOE Contractual Relationship.

**In this chapter** This chapter is divided into three sections.

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B	The DOE	3-B-1
C	The Laboratory	3-C-1

# Section A

## The University

### Overview

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**Introduction**      The University of California is chartered under the constitution of the State of California as a separate and independent institution. The governing body of the University is The Regents.

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**In this section**      This section covers the following topics

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# The Structure of the University

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<b>Description</b>	<p>The UC system consists of nine university campuses and three UC-managed DOE Laboratories:</p> <ul style="list-style-type: none"><li>• LLNL</li><li>• Los Alamos National Laboratory (LANL) in Los Alamos, NM</li><li>• Lawrence Berkeley Laboratory (LBL) in Berkeley, CA.</li></ul>
<b>Management</b>	<p>Each of the DOE Laboratories is managed under similar but separate Prime Contracts: Contracts 48 for LLNL, 36 for LANL, and 98 for LBL. The Directors of the three UC-managed DOE Laboratories report directly to the President of the University, as do the Chancellors of the University's nine campuses.</p>
<b>Responsibilities</b>	<p>As stipulated in each of the DOE Prime Contracts, the University:</p> <ul style="list-style-type: none"><li>• Performs DOE-authorized work within facilities and with equipment provided by the DOE,</li><li>• Ensures the Laboratories' contractual compliance, and</li><li>• Is the sole legal entity for conducting work at the Laboratories.</li></ul>
<b>Legal Authority</b>	<p>All legally binding agreements executed by the Laboratories are done on behalf of the University with expressed, written delegation of authority from the President of the University to specific Laboratory employees executing these responsibilities.</p>

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# The Structure of the University, continued

## UC Oversight Chart

Figure 2 below summarizes the University's structure for management oversight of the Laboratory.

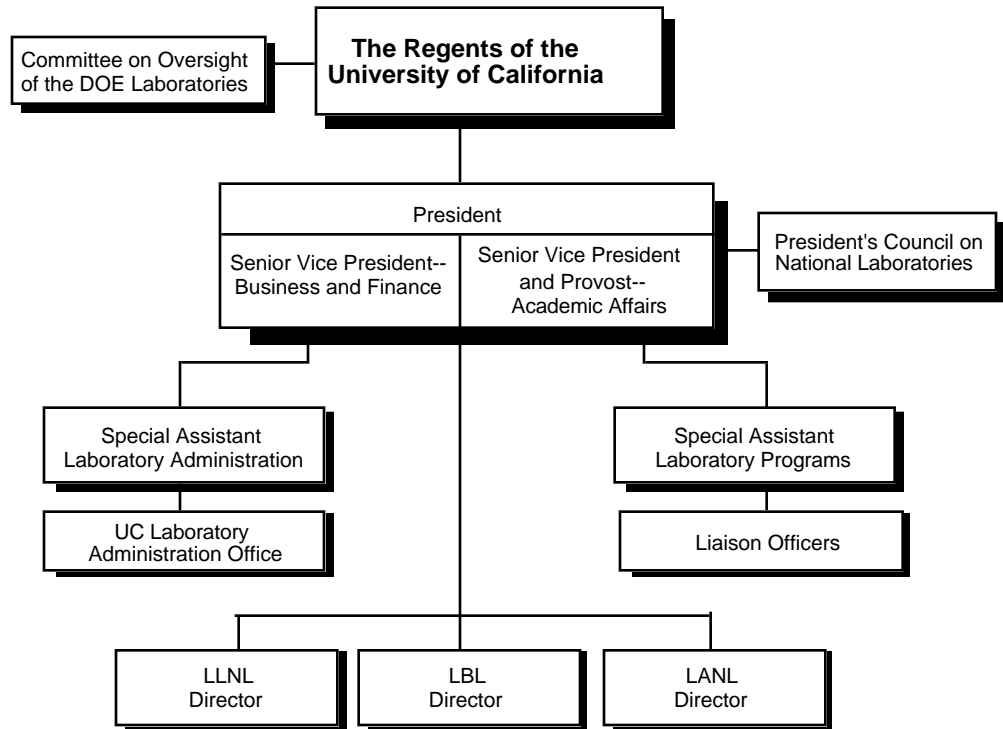


Fig. 2. UC Management Oversight.

# General Oversight

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**Committee on Oversight**

A sub-group of The Regents is organized as the Committee on Oversight of the DOE Laboratories. The Committee periodically visits the Laboratories to assess, on a first-hand basis, how the Laboratories are progressing in

- programmatic,
  - administrative, and
  - operational areas.
- 

**President's Council on National Laboratories**

In addition, the President of the University has appointed a President's Council on National Laboratories to review the programs and other activities of the Laboratories. The Council makes its recommendations to the President of the University normally through the University's Senior Vice President and Provost--Academic Affairs.

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**Special Assistant for Laboratory Programs**

The Special Assistant for Laboratory Programs, reporting to the Vice President and Provost--Academic Affairs, works closely with the Council and the Laboratories.

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**Liaison Officer**

A Liaison Officer stationed on-site at each Laboratory strengthens the University's management of the Laboratories. Working closely with the Laboratory Directors and other managers, the Liaison Officers are responsible for keeping the University informed of all pertinent activities, issues, problems and trends. These include:

- Programmatic and funding trends;
  - Health, safety and environmental issues;
  - External relations, including those with Federal legislative and executive bodies;
  - Public relations;
  - Major technical reviews;
  - Campus-Laboratory interactions and collaborations; and
  - Arms control efforts.
-

# Administrative and Operational Oversight

## Special Assistant for Laboratory Administration

The Office of the Special Assistant for Laboratory Administration was established with the last Contract 48 renewal (October 1992) to

- manage the University's three DOE Prime Contracts,
- provide enhanced UC oversight of the Laboratories' contractual compliance, and
- review the Laboratories' management performance under the Prime Contracts.

The Special Assistant reports to the Senior Vice President--Business and Finance and is supported by the UC Laboratory Administration Office (UC/LAO). The organization of the UC/LAO is depicted in Figure 3 below.

## UC/LAO Organization Chart

Here is an organization chart of the UC/LAO.

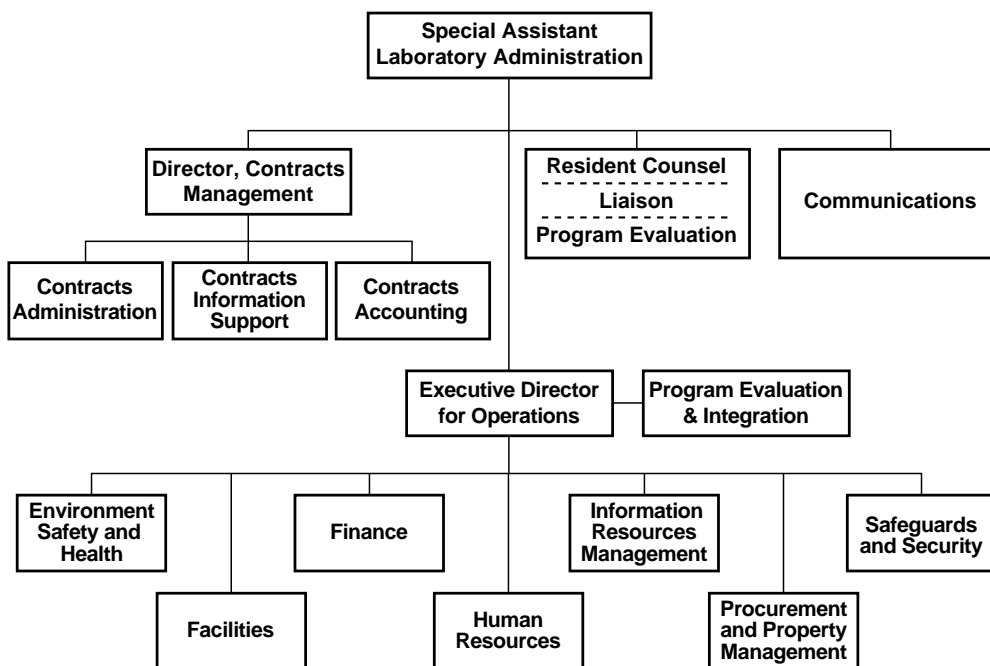


Fig. 3. UC Laboratory Administrative Office.

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<sup>1</sup>Functional management areas may be added or deleted as needed.

## Administrative and Operational Oversight, continued

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### **Director for Contracts Management**

The UC/LAO Director for Contracts Management (UC/CM) is the official point-of-contact with the DOE and Laboratories on all matters related to the Prime Contract administration, including the receipt of all DOE directives proposed by DOE for inclusion in the Prime Contract and any other proposed contractual modifications.

Responsibilities: The UC/CM is responsible for:

- Acknowledging official receipt of proposed contract modifications and directives to DOE;
- Obtaining UC legal review of proposed contract modifications and directives;
- Transmitting proposed contract modifications and DOE directives to the Laboratories for review and comment;
- Consolidating the Laboratories' and UC legal responses into an official UC position and transmitting the University's official position to DOE;
- Negotiating with DOE, as necessary, regarding Prime Contract modifications;
- Executing Prime Contract modifications; and
- Communicating formally with each Laboratory through the Laboratories' Institutional Point-of-Contact (IPOC), the Office of Contract Management (OCM) for LLNL, regarding the Prime Contracts.

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## Administrative and Operational Oversight, continued

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### Functional Managers

The UC/LAO also has a number of Functional Managers (UC/FMs), reporting to the Executive Director for Operations (UC/EDO), who are each responsible for the oversight of specific administrative or operational activities.

#### Functional areas represented by UC/FMs:

- Environment, safety, and health (ES&H)
- Facilities
- Financial management
- Human resources
- Information resources management (IRM)
- Procurement and property management
- Safeguards and security (S&S).

Functional management areas may be added or deleted as needed.

#### Responsibilities of UC/FMs:

- Provide technical support to the UC/EDO;
- Provide oversight of Laboratory operations;
- Develop Prime Contract performance measurement goals in consultation with each of the three UC-managed DOE Laboratories;
- Develop self-assessment criteria for the annual Laboratory Appendix F self-assessment process and provide oversight of the self-assessments as they occur; and
- Communicate with the UC, Laboratories, DOE, and external and internal reviewers and audit agencies regarding operational issues and requirements.

Comment: UC/FMs interact through Working Groups with their counterparts at each of the Laboratories, called Laboratory Functional Managers, to work issues of common interest and develop UC/tri-Lab consensus as appropriate.

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## Section B

### The DOE

#### Overview

<b>Description</b>	<p>The DOE is an agency of the Federal Government and represents the Government for the purposes of Contracts 36, 48, and 98. DOE is also LLNL's primary source of funding. The Secretary of Energy, who manages the DOE, is a Presidential appointee approved by the U.S. Congress.</p>
<b>Operations Offices</b>	<p>In addition to DOE Headquarters (DOE/HQ), the DOE has several Operations Offices located throughout the country to oversee its various contractors.</p> <ul style="list-style-type: none"><li>• The DOE Oakland Operations Office (DOE/OAK) is responsible for LLNL and LBL oversight and administration of Contracts 48 and 98.</li><li>• The DOE Albuquerque Operations Office (DOE/AL) oversees LANL operations and administers Contract 36.</li><li>• An Operations Office which oversees a specific Laboratory may have a physical presence on-site at the Laboratory's facility through a DOE Site or Area Office.</li></ul>
<b>The Operations Office Manager</b>	<p>DOE/OAK is managed by an Operations Office Manager who is the DOE Contracting Officer responsible for Prime Contract administration. The Operations Office Manager may delegate specific Prime Contract authorities to members of his/her staff. Under the DOE/OAK Operations Office Manager, DOE/OAK is organized into</p> <ul style="list-style-type: none"><li>• programmatic,</li><li>• administrative, and</li><li>• operational areas.</li></ul>
<b>Comment</b>	<p>The LLNL OCM will provide a current DOE/OAK organization chart upon request.</p>

# Section C

## The Laboratory

### Overview

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<b>Introduction</b>	LLNL is a government-owned contractor-operated (GOCO) research and development laboratory managed and operated by the University under Contract 48 with the U.S. Government as represented by the DOE. Based on the terms and conditions of Contract 48, LLNL is also known as a DOE Management and Operating (M&O) Contractor.
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<b>Mission</b>	<p>The Laboratory's mission is to serve as a national resource for science and engineering, focusing on</p> <ul style="list-style-type: none"><li>• national security,</li><li>• energy,</li><li>• the environment,</li><li>• biology and biotechnology,</li><li>• economic competitiveness, and</li><li>• science and math education,</li><li>• with special responsibility for nuclear weapons.</li></ul>
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Appendix K of the Prime Contract provides a mission statement for the Laboratory. A complete description of the Laboratory's mission and program activities is provided in the *Institutional Plan*, a five-year planning document prepared by the Laboratory Director's Office and submitted annually to the DOE.

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## Overview, continued

### Organization Chart

A current LLNL organization chart is available from the OCM.

### Contract Administration Chart

Figure 4 below depicts the Laboratory's arrangements for Contract 48 administration.

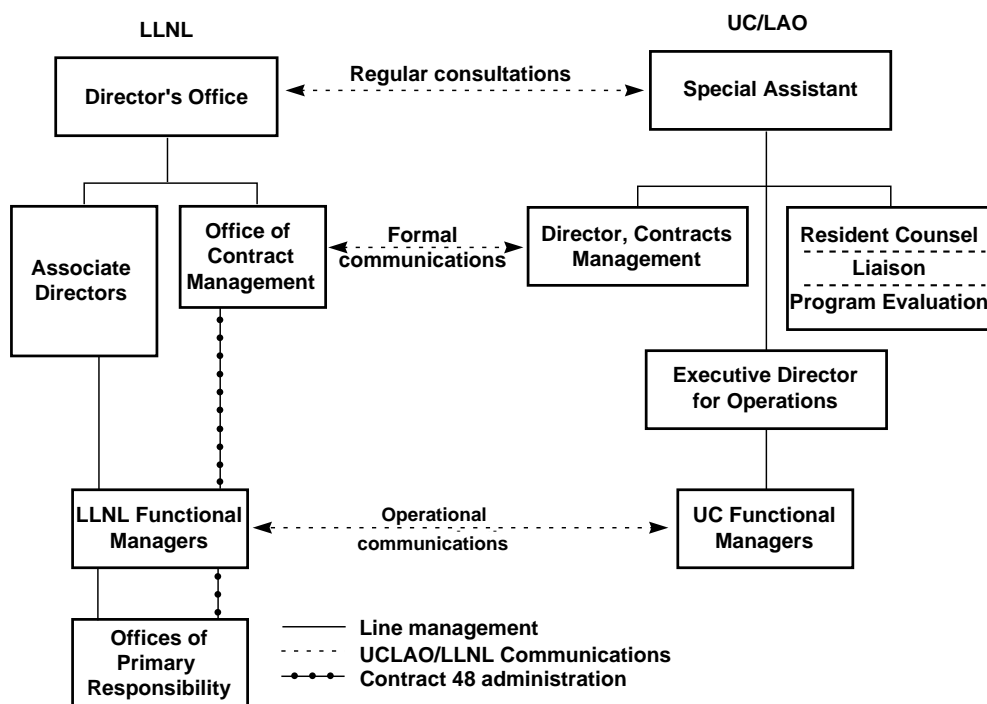


Fig. 4. LLNL Arrangements for Contract 48 Administration.

### In this section

This section covers the following topics.

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# Laboratory Director

<b>Description</b>	The Laboratory Director is an official of the University and is responsible and accountable for the management of LLNL.
<b>Authority</b>	The authority of the Director to manage the Laboratory has been expressly delegated by the President of the University and may be further delegated in writing by the Director to other LLNL employees as allowed by the University.

# Office of Contract Management

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**Mandate** The OCM is responsible for Prime Contract administration and coordination and is the Laboratory's Institutional Point-of-Contact (IPOC) with the University, DOE, LBL, and LANL regarding Contract 48. As such, the OCM is the official

- recipient of proposed contract modifications and DOE directives and formal Contract 48 communications, unless otherwise noted herein; and
- contact with the UC/LAO on all matters related to Contract 48 issues resolution.

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**Responsibilities** The OCM:

- Disseminates information related to Contract 48 and its administration Laboratory-wide;
- Identifies and records LLNL Functional Managers and Offices of Primary Responsibility, as assigned by the Director's Office and/or cognizant Associate Director (AD), for contract compliance and reporting purposes;
- Coordinates the annual Laboratory Contract 48 Appendix F self-assessment process;
- Records, tracks, and informs LLNL management of Prime Contract reporting commitments and actions;
- Coordinates and transmits the Laboratory's official position for proposed contract modifications and DOE directives to the University and the other Laboratories' IPOCs; and
- Interprets the Prime Contract, as necessary, in coordination with the UC/LAO and LLNL Office of Laboratory Counsel as appropriate.

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# Functional Manager

<b>Description</b>	LLNL Functional Managers (LLNL/FMs) are senior-level individuals who have been designated by the Director's Office and/or cognizant AD to represent the Laboratory to the University and DOE in specific functional areas.
<b>Clarification</b>	LLNL/FMs may not necessarily have line-management responsibility over all of the Offices of Primary Responsibility that fall under their designated functional area. Even so, they are LLNL's principal point-of-contact with the UC and other Laboratories for DOE directives and other contract compliance or performance issues related to their area.
<b>Responsibilities</b>	<p>For their area(s) of responsibility, LLNL/FMs:</p> <ul style="list-style-type: none"><li>• Act as Offices of Primary Responsibility when assigned (see below);</li><li>• Develop modifications to Prime Contract performance management goals in coordination with the UC/FM;</li><li>• Manage the annual intra-Laboratory Appendix F self-assessment process; and</li><li>• Communicate operational issues and requirements within the Laboratory and with the UC/FMs, the DOE, and external and internal reviewers and audit agencies.</li></ul>
<b>Counterparts</b>	LLNL/FMs have counterparts at the other two Laboratories and, in many cases, at the UC/LAO. These individuals work common issues affecting each of the Laboratories through UC/tri-Lab Working Groups.
<b>Comments</b>	LLNL/FMs are responsible for keeping the OCM informed of any actions, proposals, or recommendations that may have an impact on the contractual integrity of the Prime Contract. As indicated above, formal institutional responses to Contract 48 actions must flow through the OCM to the UC/CM.

# Offices of Primary Responsibility

<b>Description</b>	An Office of Primary Responsibility (OPR) is the LLNL organization responsible for the implementation and administration of Prime Contract compliance requirements and performance measurement goals. In some areas, the OPR may also be the LLNL/FM.
<b>Responsibilities</b>	<p>For their area(s) of responsibility, OPRs:</p> <ul style="list-style-type: none"><li>• Execute their operational responsibilities in accordance with Prime Contract compliance requirements;</li><li>• Develop, maintain, and disseminate LLNL policies and procedures to implement Prime Contract compliance requirements;</li><li>• Strive to meet Prime Contract performance measurement goals;</li><li>• Develop responses to proposed contract modifications and DOE directives, including implementation plans as necessary, and present proposed responses and implementation plans to LLNL management for institutional review and approval;</li><li>• Implement contract modifications and/or directives as required; and</li><li>• Conduct annual Appendix F self-assessments.</li></ul>
<b>Multiple organizations</b>	<p>When a proposed contract modification and/or directive affects multiple LLNL organizations, it is the OPR's responsibility to:</p> <ul style="list-style-type: none"><li>• Ensure that all affected parties participate in the review of the modification,</li><li>• Prepare a consolidated Laboratory response,</li><li>• Develop a consolidated implementation plan(s) as necessary, and</li><li>• Ensure implementation of any new compliance requirement(s).</li></ul>

# Senior Management Council

<b>Description</b>	<p>The Director's Office has established a Senior Management Council (SMC) to review and approve, as appropriate, activities, policies, and procedures in various administrative and operational areas that have an institutional impact. The SMC may also be responsible for providing institutional review of proposed modifications to the Prime Contract compliance requirements and performance measurement goals. The SMC consists of the Laboratory Deputy Director (chair), the Executive Officer, the Operations Officer, and the Associate Directors.</p>
<b>Working Groups</b>	<p>Working groups having a particular discipline focus may be formed to support to the SMC. Examples include:</p> <ul style="list-style-type: none"><li>• Business Management Working Group</li><li>• ES&amp;H Working Group</li><li>• Human Resources Working Group</li><li>• Strategic Site Planning Committee/Capital Assets Management Working Group.</li><li>• Industrial Partnerships Working Group</li></ul> <p>As appropriate, decisions of an institutional nature will be made at the working group level.</p>
<b>Ad Hoc Committees</b>	<p>Where determined necessary by the SMC, an ad hoc committee or team may be formed to work a particular issue having Lab-wide impact.</p>



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### Section B—Contract Modifications

- Overview ..... 4-B-1
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### Section C—Performance-Based Management

- Overview .....4-C-1
- Establishing Performance Measurement Goals .....4-C-2
- Performance Self-Assessments .....4-C-3

# Chapter 4

## Contract Administration

### Overview

---

**Introduction** Prime Contract administration consists of three primary activities:

- contract compliance,
- contract modifications, and
- performance measurement goals.

Each is discussed in the sections that follow.

---

**In this chapter** This chapter is divided into three sections.

Section	Title	See Page
A	Contract Compliance	4-A-1
B	Contract Modifications	4-B-1
C	Performance-Based Management	4-C-1

---

# Section A

## Contract Compliance

### Overview

---

#### Introduction

As previously indicated, contract compliance means adhering to the terms and conditions of the Prime Contract.

Contract compliance is the responsibility of LLNL line management and all LLNL employees. Contract compliance is verified through a variety of internal and external surveillance means.

Failure to meet Prime Contract compliance requirements can result in financial and/or criminal liabilities for

- the University,
  - the Laboratory, and/or
  - the individuals involved.
- 

#### Source Materials

In addition to the Contract 48 itself, other source materials associated with contract compliance include:

- LLNL policies and procedures, and
  - DOE Contracting Officer directives included by reference under Appendix G of the Prime Contract.
- 

#### Copies of Contract 48

Copies of Contract 48 are obtainable from the Technical Information Department (TID), Print Plant. Contract 48 can also be accessed on-line from the TID Library Reference Desk.

---

#### In this section

This section covers the following topics.

Topic	See Page
LLNL Policies and Procedures	4-A-2
DOE Contracting Officer Directives	4-A-3
Internal and External Review	4-A-12

---

# LLNL Policies and Procedures

---

<b>Introduction</b>	Prime Contract compliance requirements are translated into LLNL policies and procedures as LLNL management deems necessary and appropriate.
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<b>Office of Primary Responsibility</b>	LLNL policies and procedures are normally developed, maintained, and disseminated by the LLNL OPR responsible for implementing and administering compliance with a specific Contract 48 requirement, and are subject to the approval of senior Laboratory management and the UC, if required.
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Note: Where required by the Prime Contract, Laboratory policies and procedures are also subject to DOE approval prior to issuance.

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<b>Copies available</b>	Copies of LLNL policies and procedures are available from the cognizant OPR.
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Examples:

- The Budget Office
- The Finance Department
- The Plant Engineering Department
- The Contracting and Materiel Management Department

A listing of current LLNL policies and procedures having institutional impact will be accessible on-line from the TID Library Reference Desk. This listing is sorted by topical areas (e.g., ES&H, human resources, procurement, etc.) and includes the name of the policy document, a brief description of document contents, and its source.

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# DOE Contracting Officer Directives

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<b>Introduction</b>	<p>LLNL is required to comply with DOE Contracting Officer (CO) directives accepted by the University under Appendix G of the Prime Contract. The CO directives process, defined in Article XV, Cl. 3 of Contract 48, identifies those DOE-issued directives which the University and DOE believe are appropriate for contract compliance. CO Directives placed in Appendix G serve as a basis for DOE audit and appraisal of the University as the Laboratory's manager.</p>
<b>Definition</b>	<p>CO directives are documents issued by DOE for the purpose of imposing standing operational requirements and obligations on the University, and therefore the Laboratory, in the performance of work under the Prime Contract.</p> <p>CO directives:</p> <ul style="list-style-type: none"><li>• define DOE's authority over its departmental elements (DOE itself) and contractors (like LLNL);</li><li>• may establish or change policies, organizations, methods, standards, or procedures;</li><li>• may guide, instruct, or inform DOE and contractor employees; and/or</li><li>• may provide information essential to departmental and/or contractor operations.</li></ul>
<b>Examples</b>	<p>Examples of CO directives include:</p> <ul style="list-style-type: none"><li>• Orders</li><li>• Management Directives (MDs) issued by DOE/OAK adapting specific DOE orders for its own contractor community</li><li>• Notices</li><li>• Secretary of Energy Notices (SENs)</li><li>• Rules or regulations (i.e., Federal Register Code of Federal Regulations)</li><li>• Policy memoranda and/or written clarifications</li><li>• Standardization documents, including technical standards, handbooks, guides, manuals, etc. that are mandatory under a DOE order</li></ul>

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*Continued on next page*

## DOE Contracting Officer Directives, continued

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### Not Included

CO directives do not include:

- temporary written instructions issued by the DOE Contracting Officer for the purpose of addressing short-term or urgent DOE concerns related to security, safeguards, health, safety or the environment
  - stop work orders
  - Contracting Officer special instructions
  - required DOE approvals
  - memoranda or written clarifications regarding existing DOE operating requirements (refer to Chapter 5)
- 

### DOE Standardization Documents

DOE standardization documents, including technical standards, handbooks, guides and manuals, are normally issued as guidance only and therefore are not legally binding under Contract 48. Under such circumstances, DOE standardization documents are not considered CO directives. If, however, a DOE technical standard, or other standardization document (e.g., handbook, guide, manual, etc.), is intended to be binding on the UC and LLNL, it must be handled under the directives process described herein. Published DOE standards are available through the Laboratory's Engineering Information Center.

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## DOE Contracting Officer Directives, continued

### Diagram

Figure 5 depicts the most common types of CO directives. A brief description of each is provided in Appendix B.

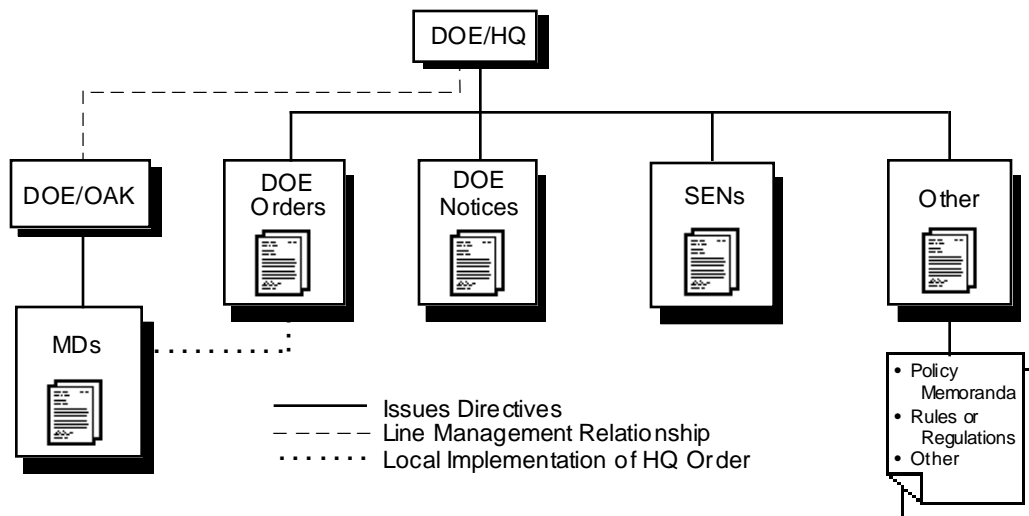


Fig. 5. Types of DOE Directives.

### CO Directive Applicability

#### Contract Compliance

CO directives, with the exception of those that invoke Federal law applicable to all citizens of the United States, are applicable to LLNL for contract compliance only if they are included under Contract 48 Appendix G.

#### Directive Applicability to M&O Contractors

DOE directives normally include an applicability statement that indicates whether the directive is explicitly applicable to DOE M&O Contractors in addition to DOE departmental elements. The UC/CM resolves issues of CO directive applicability prior to distributing directives to the Laboratories.

*Continued on next page*

## DOE Contracting Officer Directives, continued

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### **Directives Considered as a Guideline**

Many of the directives issued by DOE are intended to alert managers, DOE-wide, of potential weaknesses in operating procedures. Laboratory managers should treat those DOE directives applicable to M&O Contractors as a guideline in assessing their operations, whether or not the directives are transmitted by the Contracting Officer to the University for contract compliance. Treatment as a guideline is subject to:

- the lack of any conflict with Prime Contract provisions,
- funding availability, and
- prudent management judgment.

Assuming funds are available and there is no conflict with any Prime Contract provisions, the Laboratory is authorized by the University and expected to adopt those operating practices stated in a directive which, in the Laboratory's judgment, represent good business practices.

Important Note: Whether the directive has been accepted for contract compliance or is treated as a guideline:

- A lack of available funds may impact the Laboratory's ability to implement new directive requirements.
- Prime Contract provisions take precedence over the directive .

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*Continued on next page*



## DOE Contracting Officer Directives, continued

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### CO Directive Applicability, continued

#### Appendix G

Appendix G is organized into three sections for determining CO directive applicability under the Prime Contract: Sections I, II, and III. Section IV of Appendix G is merely an ascending numerical listing of all DOE directives identified in Sections I, II, and III without regard to which section the directive appears under.

Section I directives are those ES&H and S&S directives that the University is contractually obligated to comply with and are therefore applicable to LLNL operations. ES&H directives include applicable environmental laws, codes, ordinances, and regulations of the United States, state or territory, municipality or other political subdivision; Executive Orders; and DOE CO directives identified and agreed upon pursuant to Article XV, Cl. 3. S&S directives establish requirements for protecting classified and unclassified information and/or special nuclear materials as defined in Article XIII, Cl. 1.

Section II directives have been accepted by the University for implementation at the Laboratory within limits set by funding constraints, sound administrative practices, and University policies in those areas in which the University has been authorized under the Prime Contract to exercise discretion in managing the Laboratory.

Section III directives are considered important by the DOE, but have not been formally accepted by the University and are still under negotiation for applicability under the Prime Contract. Contractually, the University has until September 30, 1995 (three years from the renewal of Contract 48) to complete negotiations with DOE and determine directive applicability. A review schedule with specific milestones has been developed for all Section III directives to determine individual directive acceptance under the Prime Contract. Completion of this review will negate Section III.

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*Continued on next page*

## DOE Contracting Officer Directives, continued

### CO Directive Applicability, continued

### New/revised Directives

The applicability of new and/or revised CO directives, and other changes in Prime Contract compliance requirements, is negotiated by the DOE and University, in consultation with the three UC-managed DOE Laboratories, through a rigorous review and acceptance process that for LLNL is coordinated by the OCM.

New CO directives are directives which have no predecessor directive in Appendix G.

Revised CO directives have a predecessor in Appendix G and include the issuance of an updated directive (i.e., the directive is amended by DOE and wholly reissued as normally indicated by the addition of an alphabetical character at the end of the directive number sequence; e.g., DOE Order 1430.4A replaces 1430.4, 1430.4B replaces 1430.4A, and so on) or a change order to a directive (e.g., DOE Order 1234.4, Change 1; 1234.4, Change 2; etc.).

Important Note: Normally, change orders are received one at a time in sequential order (e.g., Change 1, Change 2, etc.) for inclusion under the Prime Contract. Occasionally, the University (and therefore Laboratories) receives a higher numbered change order (e.g., Change 5) without having received the prior change orders (e.g., Changes 1 through 4) from DOE for contract inclusion. When this occurs, the University and Laboratories are to review and determine the acceptability of all predecessor change orders at the same time they evaluate the acceptability of the change order actually transmitted. Change orders are listed in Appendix G by the highest change order number accepted by the University. Unless explicitly exempted in Appendix G, the change order number listed implies acceptance and applicability of all prior change orders to a directive.

*Continued on next page*

## DOE Contracting Officer Directives, continued

### CO Directive Applicability, continued

### Extant vs. Prospective Directives

The treatment of a new or revised CO directive by the University is dependent on whether it is an extant or prospective directive; i.e., Contract 48 distinguishes CO directives as being either extant or prospective for the purpose of negotiating contract modifications.

Extant directives are directives with an issue date of prior to October 1, 1992, the renewal date of Contract 48 or revisions to Appendix G, Section III directives, regardless of the issue date on the revision. Extant directives, other than ES&H and S&S directives, are automatically treated as Appendix G, Section III directives by the University.

Important Note: Extant ES&H and S&S directives have been given a high priority for review and acceptance under the Prime Contract and are to be added to Section I of Appendix G in a timely manner unless there is a no gain/no loss issue that may affect the University. Under the no gain/no loss provisions of the Prime Contract (reference Article VI, Cl. 2) the University will not accept a directive that may result in costs incurred for operating the Laboratory that are not reimbursable by the Federal government. Should such an issue be identified by the University for a particular directive, the University will negotiate with DOE to resolve the matter prior to directive acceptance into the Prime Contract. This negotiation may result in acceptance of a modified directive by the University.

Prospective directives are revisions to Section I or II CO directives or new CO directives with no predecessor in the Prime Contract issued on or after October 1, 1992. Under Contract 48, the University normally has 60 days from its receipt of a prospective CO directive for contract inclusion to respond to DOE regarding the acceptability and impact of the directive on the Laboratory(ies). The University may request a longer response time on a case-by-case basis.

*Continued on next page*

## DOE Contracting Officer Directives, continued

<b>CO Directive Applicability, continued</b>	<b>Appendix G Amend-ments</b>	Appendix G is amended as mutually agreed between the UC and the DOE to include new and/or revised CO directives.
<b>CO Directives Acceptance by the University</b>	<b>Article XV, Cl. 3</b>	<p>Article XV, Cl. 3—Procedures for Treatment of Prospective and Extant DOE Orders (Special)—describes the process by which the DOE Contracting Officer transmits new and revised directives to the University, and directives are accepted by the University under Contract 48. As indicated under this clause: "Neither of the parties intends that this procedure permit unilateral modifications to the contract."</p> <p><u>Important Note:</u> Since this is a special clause, it takes precedence over standard clauses in the Prime Contract, in accordance with Article V, Cl. 2—Order of Precedence.</p>
	<b>Acceptance Criteria</b>	<p>DOE CO directives applicable to M&amp;O Contractors are normally accepted as contract modifications to Appendix G unless the University can justify a modification to the directive, as allowed under Article XV, Cl. 3. Contract 48 identifies the following criteria for justifying a modification to a directive, other than ES&amp;H and S&amp;S directives which are discussed below:</p> <ul style="list-style-type: none"> <li>• the directive results in an unacceptable impact on the quality of science,</li> <li>• the directive results in an unacceptable impact on intellectual or scientific freedom,</li> <li>• the directive violates the no gain/no loss principle of operation of the Laboratories,</li> <li>• the directive exposes the University to unacceptable legal risk,</li> <li>• the directive has an insufficient specification of standards against which the University's management performance can be evaluated.</li> </ul> <p>If the directive is in conflict with one or more of these circumstances, agreement will be reached with DOE regarding a modified directive or it will be treated by the University and Laboratory as a guideline; i.e., portions of the directive may be implemented where considered good business practice.</p>

*Continued on next page*

## DOE Contracting Officer Directives, continued

<b>ES&amp;H and S&amp;S Directives</b>	New and revised ES&H and S&S directives are incorporated into the Prime Contract as a contract modification unless a directive's provisions demonstrably conflict with the no gain/no loss principle underlying the University's management of the Laboratory, as indicated in Article XV, Cl. 3.
<b>Other Clauses</b>	<p>The Laboratory and University may determine that a DOE directive conflicts with other clauses in the Prime Contract and attempt to negotiate a modified directive to resolve any conflict(s) prior to directive acceptance. Examples of potential conflicts include:</p> <ul style="list-style-type: none"><li>• Article III, Cl. 2—General Responsibilities of the Parties (Special)</li><li>• Article VI, Cl. 5—Enhanced University Management Efforts and Concomitant Restructuring of DOE On-Site Oversight at the Laboratories (Special)</li><li>• Article VI, Cl. 7—Public Affairs and News Releases (Special)</li><li>• Article VI, Cl. 10—Contract Records (Special)</li><li>• Article VI, Cl. 11—DOE Responsibilities; Administrative Interactions (Special)</li><li>• Appendices A, E, F, etc.</li></ul>
<b>Important Note</b>	Lack of funding is not a justifiable reason for non acceptance of a CO directive into Appendix G. It can, however, affect the Laboratory's ability to fully implement a directive. In the absence of funding, the University and Laboratory will treat a CO directive as a guideline even though it has been accepted under Appendix G or follow a graded approach to directive implementation.
<b>Acceptability Worksheet</b>	Exhibit 3 is a sample acceptability worksheet to assist in reviewing directives.
<b>Copies Available</b>	Copies of DOE orders, notices, and SENs are available in hard copy or on-line from the TID Library Reference Desk. Contact the Reference Desk for further information.

# Internal and External Review

<b>External</b>	<p>As a DOE M&amp;O Contractor managed and operated by the UC, LLNL is subject to review by several different organizations, including:</p> <ul style="list-style-type: none"><li>• DOE</li><li>• DOE Office of the Inspector General (DOE/IG)</li><li>• U.S. General Accounting Office (GAO)</li><li>• UC</li><li>• Certified Public Accounting (CPA) firms under contract to the DOE or University.</li></ul>
<b>Internal</b>	<p>LLNL has two internal review groups, OMR and IA, that report to the Director's Office.</p>
<b>Note</b>	<p>Refer to the <i>Resource Management Series</i> guide, <i>What to Expect in an Audit, Appraisal, or Review</i>, for further information. <i>Resource Management Series</i> guides are available from the LLNL TID Library Reference Desk.</p>

## Section B

### Contract Modifications

#### Overview

<b>Description</b>	<p>Contract modifications</p> <ul style="list-style-type: none"><li>• can be proposed by the UC or the DOE,</li><li>• can apply to any section of the Prime Contract, including Appendices, and</li><li>• require mutual acceptance of both parties.</li></ul>
<b>Not Applicable</b>	<p>The contract modification process described herein does not apply to financial Contract Modifications (also known as Contract Mods) administered by the LLNL Finance Department to amend the Laboratory's Letter of Credit (i.e., funding and cost authority) under Contract 48.</p> <p><u>Note:</u> For more information related to financial Contract Modifications, refer to the <i>Resource Management Series</i> guide, entitled <i>Direct DOE Funding</i>, available from the TID Library Reference Desk.</p>
<b>OCM Responsibilities</b>	<p>All contract modifications, other than financial Contract Mods, flow through the UC/CM to the OCM. The OCM:</p> <ul style="list-style-type: none"><li>• Disseminates proposed contract modifications to the cognizant LLNL FM and OPR for analysis;</li><li>• Transmits the Laboratory's institutional response to proposed contract modifications, including CO directives, to the UC/CM; and</li><li>• Disseminates contract modifications to the appropriate LLNL organizations for implementation.</li></ul>
<b>UC Position</b>	<p>Institutional responses to proposed contract modifications provided by each Laboratory are consolidated into a UC position which is iterated back to the Laboratories, if necessary, before final submission to the DOE.</p> <p><u>Note:</u> Depending on the nature of the proposed contract modification and the differences in Prime Contracts, the UC may submit three separate Lab-specific positions.</p>

*Continued on next page*

## Overview, continued

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### Uncategorized Directives

Proposed contract modifications, including CO directives, that are sent directly to the Laboratory, at any level (OCM, FM, OPR, or other), without first going through the UC/CM violate the UC/DOE contractual relationship and should be brought to the attention of the OCM immediately.

CO directives submitted directly to the Laboratory are treated as uncategorized directives. Uncategorized directives are discussed in Chapter 7. Draft directives issued by DOE solely for comment are addressed under Chapter 6.

---

### In this section

The following topics are covered in this section.

Topic	See Page
Contract Modification Process	4-B-3
Response Time Required	4-B-4

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# Contract Modification Process

## Process

The process for handling contract modifications is depicted in Figure 6 below.

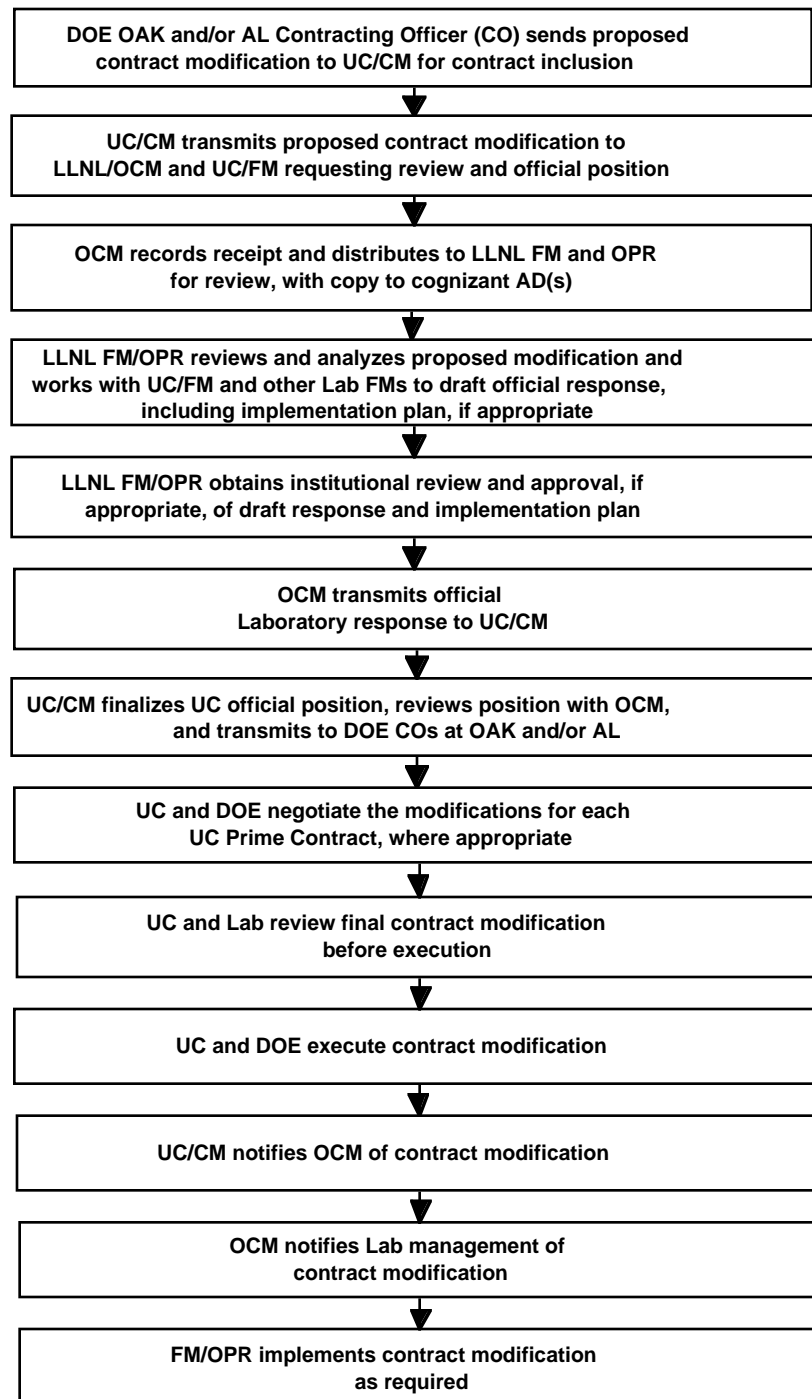


Fig. 6. Contract Modification Process.<sup>1</sup>

<sup>1</sup>Does not include financial contract modifications administered by the LLNL Finance Department to amend the Laboratory's Letter of Credit under Contract 48.

## Response Time Required

**Description** The response time required for providing the University's official position back to the DOE depends on the action being requested. Comments on draft directives are usually made directly by the Laboratory, not the University.

**Table** The Table below identifies the various response times dictated by the Prime Contract.

Action Requested by DOE	Response Time
Prospective CO directives that are revisions or change orders to Appendix G Sections I or II directives, or new prospective CO directives (i.e., no Appendix G predecessor).	60 days from UC/CM receipt of DOE Contracting Officer written notice, unless otherwise negotiated on a case-by-case basis. <sup>1,2</sup>
Section III CO directives or any revisions thereto.	In accordance with review schedule submitted by UC to DOE.
Any other revisions to the Prime Contract.	Determined on a case-by-case basis in consultation with the Labs, UC, and DOE.
Draft CO directives	No time frame specified in Prime Contract. DOE usually indicates required response date in its cover letter to draft directive.

**Note** <sup>1</sup>Response time indicated is the UC's response to DOE. UC/FMs normally are responsible for developing a draft response, with Laboratory FM input, within 30 days of receipt of a prospective directive. The UC draft is then transmitted to the three Laboratories for final review and comment.

<sup>2</sup>If the normal UC 60-day response time is insufficient for a particular directive, the FM/OPR should notify the OCM promptly. The OCM will request additional time from the UC/CM for the Laboratory's response.

## Section C

# Performance-Based Management

## Overview

**Introduction** As previously mentioned, Appendix F of the Prime Contract includes specific, objective performance measurement goals that are established by the UC, with Laboratory input, and DOE for annually evaluating and rating LLNL management performance and determining the Laboratory's Executive Merit Pool salary package. Figure 7 below provides a conceptual diagram of this performance-based management process.

**Process** A conceptual diagram of the performance-based management process is:

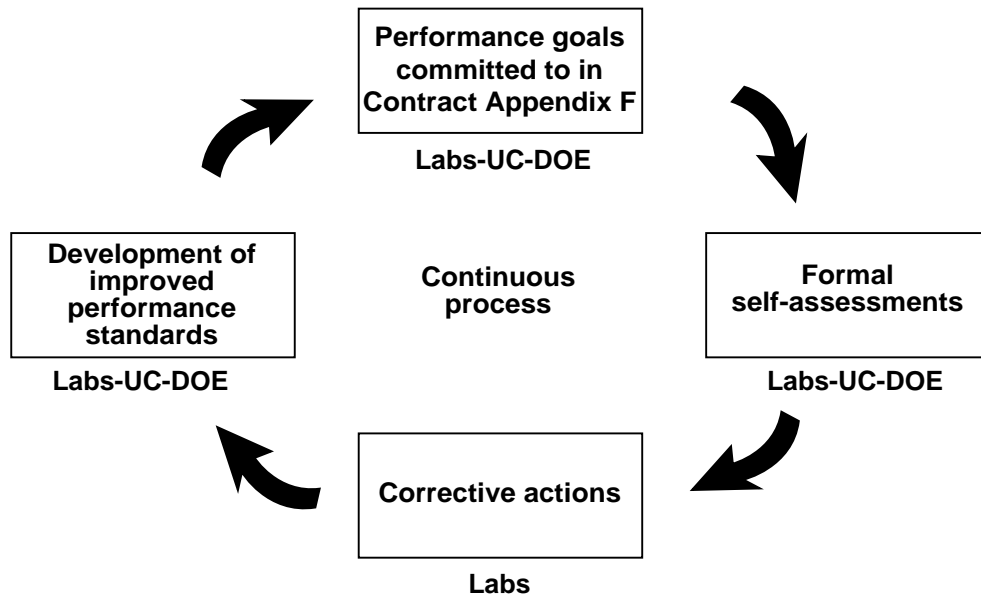


Fig. 7. Annual Performance-Based Management Process.

**In this section** The following topics are covered in this section.

Topic	See Page
Establishing Performance Measurement Goals	4-C-2
Performance Self-Assessments	4-C-3

# Establishing Performance Measurement Goals

<b>Description</b>	Annual performance measurement goals for administrative and operational areas (e.g., ES&H, procurement, property, etc.) are jointly developed by the UC/EDO and the UC and Laboratories' FMs. The UC then negotiates these performance measures with DOE for inclusion in the Prime Contracts. Modifications to Appendix F of the Prime Contract are executed by the DOE and UC, then conveyed by the UC to the Laboratory IPOCs. Laboratory FMs are responsible for striving to meet annual performance measurement goals identified in Contract 48.
<b>Continuous Quality Improvement</b>	Appendix F may be modified as part of the UC, Laboratory, and DOE commitment to continuous quality improvement.

# Performance Self-Assessments

## Introduction

Each Laboratory is required to conduct an annual self-assessment to evaluate its management performance under Appendix F of the Prime Contract. These Laboratory self-assessments may involve participation by external entities, including one or more of the other Laboratories. The process by which the self-assessments are generally conducted is depicted below in Figure 8.

## Process

Here is a diagram illustrating the annual self-assessment process.

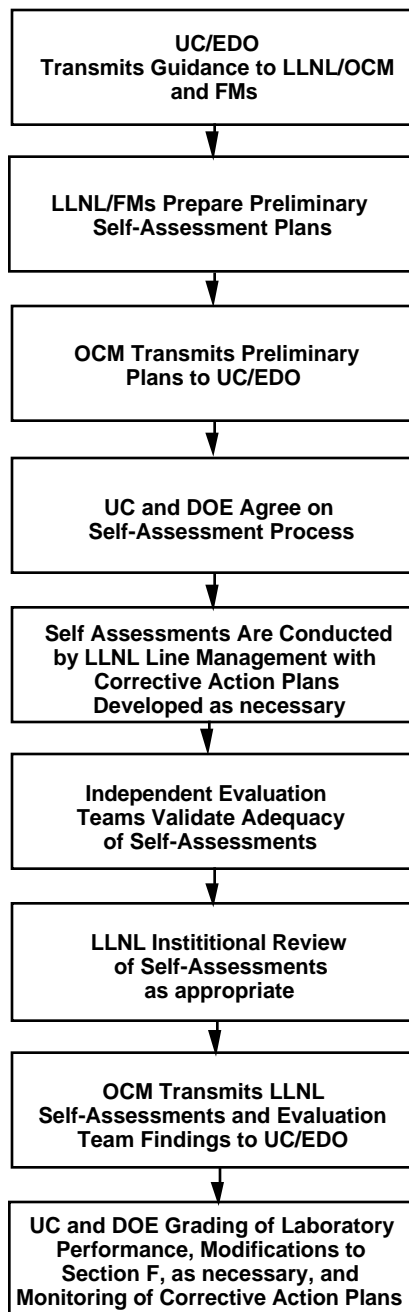


Fig. 8. Annual Appendix F Self-Assessment Process.

# Chapter Table of Contents

## CHAPTER 5—DOE Operational Requirements

- Overview .....5-1

# Chapter 5

## DOE Operational Requirements

### Overview

---

#### Introduction

DOE can establish standing or temporary operational requirements for the Laboratory within the scope of each of its UC Prime Contracts and the CO directives accepted by the University under these Prime Contracts.

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#### Examples

Examples of common operational requirements include:

- Standing reporting requirements (e.g., annual financial reports);
  - Ad hoc information requests (e.g., a request for the names, titles, educational background, and work experience of all persons currently engaged in certain functions at a Laboratory facility);
  - Documented planning requirements (e.g., annual long-range plans for various activities of particular interest to DOE);
  - The use of national or international standards in such areas as computing, engineering, finance, telecommunications, etc.
- 

#### Communications

Communications involving existing operational requirements usually do not come through the DOE Contracting Officer to the UC/CM to the LLNL OCM, as with CO directives. Rather, they surface through various channels. The most common means for DOE to communicate its operational requirements is through the cognizant DOE

- program office,
- operational office, or
- administrative office

to the appropriate LLNL counterpart; e.g., DOE's Contracts Management Division to LLNL's Procurement Department.

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*Continued on next page*

## Overview, continued

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### **New or Revised Operational Requirements**

When a new or revised operational requirement is received by a LLNL organization it must be evaluated on the basis of whether it is allowable and within DOE's authority under Contract 48 or it extends DOE's authority under the Prime Contract. This analysis is normally the responsibility of the recipient LLNL organization in consultation with the OCM and cognizant LLNL/FM.

New or revised operational requirements that extend DOE's authority under the Prime Contract are considered contract modifications and must be accepted by the University as described in Chapter 4, Section B.

---

### **Disputes**

Even when an operational requirement is allowable, it may impose significant costs on the Laboratory and University with little apparent benefit, and as such can be disputed.

If the Laboratory considers an allowable DOE operational requirement to be an undue burden, the cognizant LLNL/FM can ask the UC/FM for assistance in seeking relief from or modification of the operational requirement from DOE. If these discussions between the UC and DOE appear to have a contractual impact, the OCM should be advised by the LLNL/FM.

---

### **Resolutions**

The UC/FM will confer with the FMs at the other Laboratories and discuss any dispute with the DOE. Agreement may be reached between the UC and DOE to proceed with the operational requirement or for DOE to withdraw or modify the operational requirement for one or more of the UC-managed DOE Laboratories. If no agreement is reached, the matter may be taken to issues resolution which is discussed in Chapter 10.

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## CHAPTER 6—Draft DOE Directives

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- Official Comment .....6-2
- Unofficial Comment .....6-3

# Chapter 6

## Draft DOE Directives

### Overview

---

#### Introduction

As DOE develops new or revised directives, it often circulates a draft version to its Operations Offices and contractors to seek comments from the affected parties or an expert opinion on the technical merit of the directive before the directive is actually issued.

The review and comment process for draft DOE directives varies from that process described in Chapter 4 for official DOE CO directives.

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#### In this chapter

The topic to be covered in this chapter is:

Topic	See Page
Comments on Draft Directives	6-2

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# Comments on Draft Directives

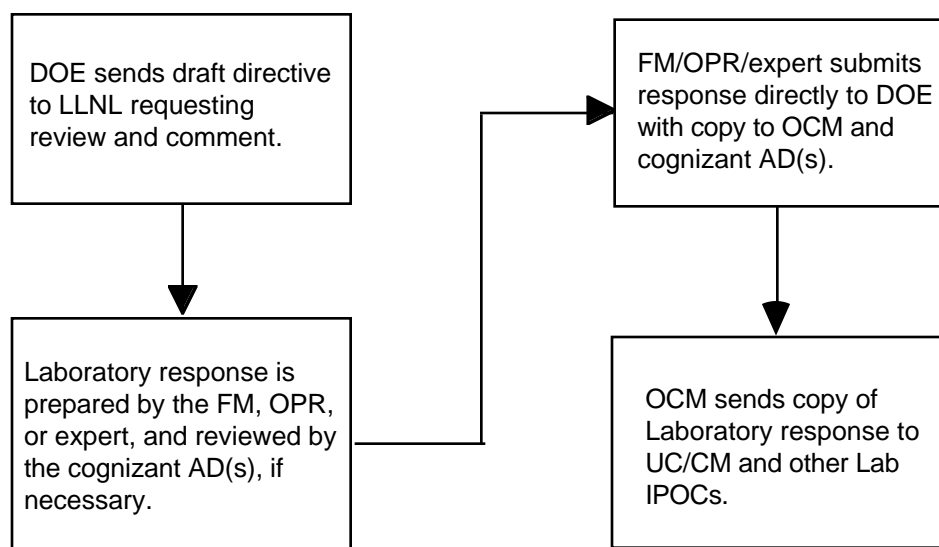
## Introduction

Draft directives may be distributed by DOE directly to Laboratory FMs, OPRs, or other expert(s) for review and comment without going through the UC/LAO or Laboratory OCM.

The cognizant FM, OPR, or expert(s) may provide written or oral comment on the draft directive back to DOE if so approved by their line management.

## Process

Figure 9 delineates the typical process for draft directives received by LLNL for comment.



**Fig. 9. Process for Draft Directives Received for Comment.**

*Continued on next page*

## Comments on Draft Directives, continued

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**Coordinating  
Comments**

Where the draft directive and proposed comments affect more than one LLNL organization, the respondent should coordinate his/her comments with other affected parties. A copy of all written correspondence and draft directives shall be provided by the respondent to the OCM and the cognizant OPR, FM, and AD(s).

---

**Not Official  
UC Position**

A respondent providing written comments on a draft directive must indicate that the comments do not represent an official UC position or in any way bind the UC or Laboratory to acceptance of a revised or new CO directive once it is issued.

---

**Note**

Upon issuance, UC/Laboratory acceptance of a revised or new CO directive must follow the process and procedures described above under Chapter 4, Section B, regardless of any comments that may have been provided by the Laboratory on the draft.

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# Chapter Table of Contents

## CHAPTER 7—Uncategorized DOE Directives

- Overview .....7-1

# Chapter 7

## Uncategorized DOE Directives

### Overview

---

**Description**

An uncategorized DOE directive (often called a rogue directive) is any directive, regardless of origin, that

- imposes new standing operational requirements for the Laboratory as a matter of contract compliance, and
- did not come through the formal CO directives process described above under Chapter 4, Section B.

Note: Uncategorized directives are distinguished from directives treated as a guideline and DOE's right to exercise operational requirements; e.g., requests for information, even where there may be a dispute about the cost/benefit of the operational requirement.

---

**Hybrids**

Care must be taken in reviewing an apparent uncategorized directive because it may be a hybrid; i.e., the directive may contain some new requirements and exercise some existing authorities. Consequently, part of the directive may be treated as uncategorized and part as an allowable operational requirement.

---

**Contract  
Compliance  
Accountability**

If a directive is not in Appendix G, the University/Laboratory cannot be considered non-compliant with the Prime Contract if the directive has not been implemented. The Laboratory can, however, be considered to have system or management weaknesses or an exposure to risk. An uncategorized directive may identify such weaknesses and specify steps appropriate for their mitigation. DOE is, of course, responsible for appropriately transmitting CO directives to the University where it expects LLNL to implement a directive for contract compliance.

---

**Comment**

All CO directives issued by DOE, whether HQ or OAK, for Prime Contract inclusion must, without exception, follow the process and procedures described in Chapter 4, Section B. Draft directives can only be circulated for comment as described in Chapter 6.

---

**Treatment**

Uncategorized directives received directly by the OCM will, upon consultation with the UC/CM, be returned to the DOE with a notice of the contractual procedure that must be followed for directive review and acceptance under the Prime Contract. Uncategorized directives received by other Laboratory organizations should be sent immediately to the OCM for appropriate treatment.

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• Overview .....	8-1
• Communications that must flow through the UC/LAO .....	8-3
• Direct Communications between DOE and LLNL with Notification to the UC/LAO.....	8-5
• Direct Communication between DOE and LLNL without Notifying the UC/LAO .....	8-6

# Chapter 8

## Contract 48 Communications

### Overview

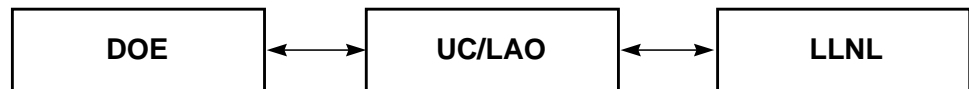
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<b>Description</b>	Contract 48 communications fall into three categories, as depicted below, each of which are handled differently.
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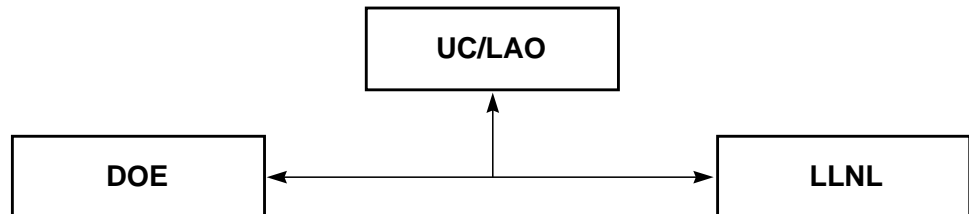
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<b>Types of Communications Categories</b>	Figure 10 is a diagram of the three types of Contract 48 communications categories.
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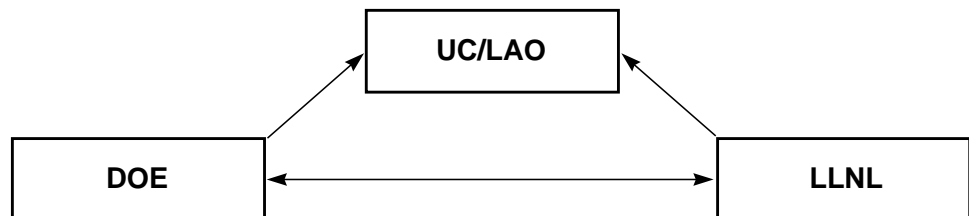
**I. Communications that must flow through UC/LAO**



**II. Direct communications between DOE and LLNL with notification to UC/LAO**



**III. Direct communications between DOE and LLNL with notification to UC/LAO "as needed"**



**Fig. 10. Contract 48 Communications.**

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*Continued on next page*



## Overview, continued

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**Comment**      There is no intent to limit or inhibit on going operational communications between the LLNL and DOE in areas other than those identified below.

---

**In this chapter**    These are the topics covered in this chapter.

Topic	See Page
Communications That Must Flow through the UC/LAO	8-3
Direct Communications between DOE and LLNL with Notification to the UC/LAO Required	8-5
Direct Communication between DOE and LLNL with Notification to the UC/LAO as Needed	8-6

---

# Communications That Must Flow Through the UC/LAO

---

## Introduction

Formal, written communications having a direct impact on the Prime Contract must flow through the UC/LAO to the Laboratory and are not to be sent directly by DOE to LLNL. Communications from the UC/LAO can flow through the OCM or to the cognizant LLNL organization. Both situations are discussed below.

---

## Communications that Must Flow between the UC/CM and OCM

Formal, written communications related to the UC Prime Contracts that must flow through the UC/CM to the OCM and visa versa include:

- Matters related to modifications of the Prime Contract or its Appendices (Article XV and XX), including CO directives (Article II [M]; Article VI, Clause 8; Article XV, Clause 5; and Appendix G), and performance measures (Article VI, Clause 6; Article XV, Clause 2; and Appendix F);
- Matters related to a DOE notice of intent to disallow costs under the Prime Contract (see Article V, Clause 9); and
- Matters related to the issuance of Contracting Officer special instructions (see Article V, Clause 10).

Such communications received by the OCM from the UC/CM will be disseminated to the appropriate LLNL/FM and/or OPR for preparation of a draft response, if necessary, or other action, with copies to the cognizant AD(s). Transmittal of the Laboratory's official response to the UC/CM is the responsibility of the OCM.

Comment: The OCM is to be advised immediately of any communication from DOE meeting the above criteria that is received directly by any Laboratory organization or individual.

---

*Continued on next page*

# Communications That Must Flow through the UC/LAO, continued

---

## **Communications that Can Flow between the UC/LAO and Cognizant LLNL Organization**

Formal, written communications involving the following topics can flow from the UC/LAO to the LLNL organization responsible for implementation (e.g., the Procurement Department, Human Resources Department, etc.):

- Matters involving more than one UC-managed DOE Laboratory (e.g., the development and implementation of University/tri-Lab procurement policies and procedures); and
- Matters involving University system-wide programs (e.g., benefits, retirement programs, etc.).

Approval: Line management and Director's Office approval shall be obtained, as necessary, regarding these types of communication and any proposed or resulting implementation activities. Such approval may include prior review by an Executive Council/Committee.

Comment: Any communications in this category having a potential impact on the terms and conditions of the Prime Contract are to be brought promptly to the attention of the OCM. This includes discussions stemming from the UC/tri-Lab Functional Managers Working Groups.

---

# Direct Communications between DOE and LLNL with Notification to the UC/LAO Required

## Introduction

Formal, written communications related to areas listed below can be handled directly between the DOE and the cognizant LLNL organization subject to the policies and procedures established by each LLNL organization. These policies and procedures shall include the requirement to provide notification to the UC/LAO of all such communications.

## DOE/LLNL Direct Communication Types

This table lists the types of communications that can be handled directly between DOE and LLNL.

Type of Communication	Contract 48 Reference	LLNL Organization
Stop work orders	Article V, Clause 8	Director's Office
News releases	Article VI, Clause 7	Public Affairs Office
Litigation and claims	Article VII	Office of the Laboratory Counsel
Asserting or granting of intellectual property rights related to technology transfer	Article VI, Clause 9, and Article XII	Technology Transfer Initiatives Office
Contracting Officer approvals granted after-the-fact	Article VII, Clause 1(g)	Various*
Plans and results concerning the internal audit of allowable costs	Article VII, Clause 4(h)	Internal Audit
Formal, written contacts with the GAO, DOE, DOE/IG, and other audit agencies	Not Applicable	Office of Management Review
Formal, written contacts with Congress and State and local governments	Not Applicable	Director's Office

\* Depending on the action being approved by the Contracting Officer, the cognizant LLNL organization could be the Business Manager's Office, the Controller's Office, Human Resources Department, etc.

## Note

In the event a dispute arises between the DOE and LLNL, the OCM should be informed in addition to the UC/LAO.

# Direct Communication between DOE and LLNL with Notification to the UC/LAO as Needed

---

**Introduction:** The third category of communications includes all other contractual and operational matters that may be directly communicated between the DOE and cognizant LLNL organization. UC/LAO involvement may be solicited on an "as needed" basis by the cognizant LLNL organization through the appropriate LLNL/FM or the OCM.

---

**Examples** Examples include:

- work authorizations,
- subcontracts,
- Work-for-Others, and
- budget submissions, etc.

---

**Note** In the event a dispute arises between the DOE and LLNL, the OCM should be informed so that the UC/LAO may be formally notified.

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# Chapter Table of Contents

## CHAPTER 9—Audits, Appraisals, or Reviews with Contract 48 Impact

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## Chapter 9

# Audits, Appraisals, or Reviews with Contract 48 Impact

## Overview

---

<b>Introduction</b>	As previously mentioned, LLNL is subject to surveillance by numerous entities, including the UC, DOE, DOE/IG, GAO, and CPA firms under contract with the University and DOE, and the Laboratory's internal review functions, OMR and IA.
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<b>OCM Notification</b>	<p><u>If</u> an audit, appraisal, or review of the Laboratory results in a finding that is made by or reported to the DOE, DOE/IG, GAO, or other entity outside the UC/LLNL <u>and</u></p> <ul style="list-style-type: none"><li>• suggests the disallowance of costs under Contract 48,</li><li>• disputes an interpretation of the Prime Contract, or</li><li>• proposes changes to the Prime Contract,</li></ul> <p><u>then</u> the LLNL organization subject and responding to the audit, appraisal, or review should notify the OCM regarding the finding. The OCM will coordinate any potential contract impact with the UC/CM.</p>
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## CHAPTER 10—Issues Resolution

- Overview ..... 10-1



# Chapter 10

## Issues Resolution

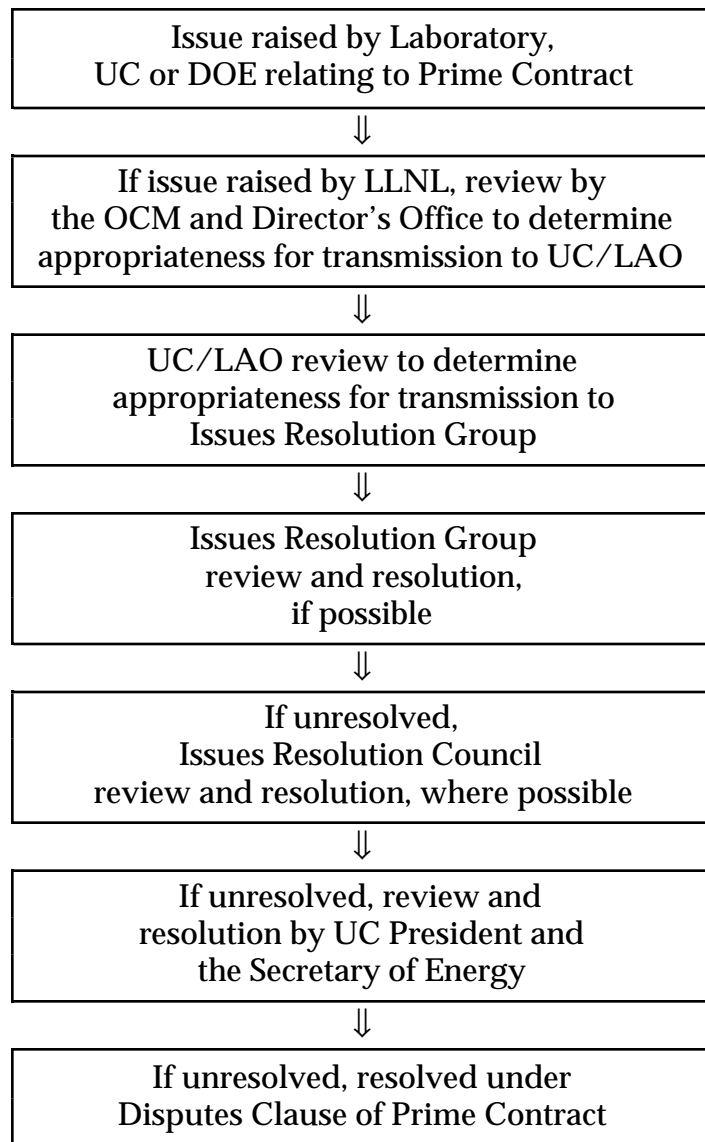
### Overview

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**Introduction** The University and DOE have established a tiered, bilateral process under each of the three Prime Contracts, depicted below in Figure 11, to facilitate prompt and effective resolution of issues relating to contract administration.

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**Process** Figure 11 below shows the process for issues resolution.



**Fig. 11. Prime Contract Issues Resolution Process**

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## Overview, continued

<b>OCM</b>	Issues resolution formally requested under the Prime Contract is coordinated by the OCM. FMs, OPRs, and other LLNL organizations must raise issues regarding Contract 48 with the OCM and Director's Office to determine if the matter can be resolved internally at the Laboratory or if it requires further discussion with the UC and DOE. If an issue cannot be resolved internally, as determined by senior Laboratory management, the matter is raised by the OCM with the UC/LAO.
<b>UC/LAO</b>	The UC/LAO will attempt to resolve the issue or may elevate it to the Issues Resolution Group (IRG). The UC/LAO is the official point-of-contact for all issues submitted to the IRG for resolution.
<b>IRG</b>	<p>The IRG, made up of managers from the Laboratory, UC, and DOE, serves as a bilateral forum for Prime Contract issues resolution. The IRG meets within 30 days of notification of an issue or at least quarterly even without specific issues. Members include:</p> <ul style="list-style-type: none"><li>• the Laboratories' Deputy Directors or designees</li><li>• the University's Special Assistant for Laboratory Administration</li><li>• the DOE Operations Offices' Deputy Directors, and</li><li>• the DOE's Principal Deputies for Defense Program (DP), Energy Research (ER), and the Office of Procurement Assistance and Program Management (OPAPM)</li></ul>
<b>IRC</b>	<p>Issues that are unresolved at the IRG level are sent by the IRG to the Issues Resolution Council (IRC) made up of more senior Laboratory, UC, and DOE representatives. IRC membership includes:</p> <ul style="list-style-type: none"><li>• the Laboratories' Directors</li><li>• the University's Senior Vice-President—Business and Finance</li><li>• the University's Senior Vice-President—Academic Affairs</li><li>• the DOE Operations Offices Managers</li><li>• the DOE Assistant Secretary for DP, and</li><li>• the DOE Directors for ER and OPAPM.</li></ul> <p>The IRC meets at least annually.</p>
<b>Final Resolution</b>	If a matter is unresolved at the IRC level, it may ultimately be addressed by the President of the University and the Secretary of Energy, and from there may have to be resolved under the Disputes Clause of the Prime Contract. <sup>1</sup>

<sup>1</sup> Article XVI, Clause 3  
April 14, 1994

# Chapter Table of Contents

## CHAPTER 11—Where to Go for Help

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# Chapter 11

## Where to Go for Help

### Overview

<b>OCM</b>	Any questions relating to Contract 48 administration, the DOE directives process, the Laboratory self-assessment process, and Prime Contract interpretation and/or issues resolution should be addressed to the OCM.
<b>OPR</b>	Questions related to specific LLNL policies and procedures or DOE directives should be directed to the cognizant OPR.
<b>OMR</b>	Questions related to audits, appraisals, and reviews should be directed to OMR.
<b>Other Resources</b>	<p>Copies of various documents related to the Prime Contract are available as follows:</p> <ul style="list-style-type: none"><li>• Hard copies of Contract 48 are available from the TID Print Plant or can be accessed electronically from the TID Library Reference Desk.</li><li>• DOE orders, change orders, notices, and SENs are available in hard copy or on-line from the TID Library Reference Desk.</li><li>• An abbreviated Contract 48 guide entitled, <i>What You Need to Know about Contract 48 for the 1992-1997 Contract Period</i>, is available from the TID Library Reference Desk</li><li>• A listing of Appendix G CO directives and the cognizant ADs, FMs, and OPRs for each directive is available on-line from the TID Library Reference Desk.</li><li>• A listing of LLNL institutional policies, procedures, and guides is available on-line from the TID Library Reference Desk.</li><li>• Published DOE standards are available from the Laboratory's Engineering Information Center.</li></ul>

# References

1. Prime Contract W-7405-ENG-48, TID Print Plant (hard copy) or TID Library Reference Desk (on-line)
2. *What You Need to Know about Contract 48 for the 1992-1997 Contract Period*, UCRL-AR-114937, TID Library Reference Desk
3. LLNL Institutional Plan, Director's Office
4. Resource Management Series, *What to Expect in an Audit, Appraisal, or Review*, UCRL-AR-111375, TID Library Reference Desk
5. Resource Management Series, *Direct DOE Funding*, UCRL-AR-111502, TID Library Reference Desk
6. DOE Order 0000.2D, Directives Checklist and Cross-Reference Index as of 2-12-91, TID Library Reference Desk

## Appendix A—Glossary of Terms

Term	Acronym	Definition
Appendix F		Section of Prime Contract W-7405-ENG-48 (Contract 48 or Prime Contract) that identifies performance measurement goals for annually evaluating the management of the Lawrence Livermore National Laboratory (LLNL).
Appendix G		Section of Prime Contract that identifies Contracting Officer (CO) directives issued by the Department of Energy (DOE) that are applicable to LLNL.
Associate Directors	ADs	Senior managers of the Laboratory appointed by the Director who have line-management responsibility for programmatic and/or support organizations or other special assignments.
Executive Council or Committee		Councils or Committees that consist of senior-level LLNL managers appointed by the Laboratory Director's Office who are responsible for reviewing and recommending actions involving administrative and/or operational areas having an institutional impact.
Contract 48		See Prime Contract W-7405-ENG-48 (Prime Contract).
Contracting Officer Directive	CO Directive or Directive	A regulation, order or other written directive, such as a manual, issued by the DOE for the purpose of imposing standing operational requirements on the University of California (UC) in the performance of work under the Prime Contract. Refer to Appendix B for a description of the different types of CO directives. CO directives do not include temporary written instructions issued by the DOE Contracting Officer for the purpose of addressing short-term or urgent DOE concerns relating to security, safeguards, health, safety, or the environment.
Department of Energy	DOE DOE/HQ	An agency of the Federal Government that represents the Government for the purposes of Contract 48, and LLNL's primary source of funding.

*Continued on next page*

DOE Albuquerque Operations Office	DOE/AL or AL	DOE Operations Office responsible for oversight of the Los Alamos National Laboratory (LANL) and administration of Contract 36 for the DOE.
DOE Contracting Officer		An authorized representative of the DOE who has the authority to enter into, administer, and/or terminate the Prime Contract with the UC and make related determinations and findings.
DOE Operations Office Manager		The manager of a DOE Operations Office who is also the DOE Contracting Officer responsible for Prime Contract administration.
DOE Oakland Operations Office	DOE/OAK or OAK	The local DOE Operations Office responsible for oversight of LLNL and the Lawrence Berkeley Laboratory (LBL) and administration of Contracts 48 and 98 for the DOE.
Director		Official of the University who is responsible and accountable for the management of the Laboratory.
Draft Directive		A draft directive issued by the DOE for review and comment prior to issuance of a CO directive.
Functional Manager	FM	Senior-level individuals at LLNL designated by the cognizant AD to represent LLNL to the University and other UC-managed DOE Laboratories for a particular functional area (e.g., procurement or security). FM counterparts exist at the UC Laboratory Administration Office (UC/LAO) and other Laboratories.
Government- Owned Contractor- Operated Facility	GOCO	A facility owned by the Federal government that is operated, under contract, by a third party.
Institutional Plan		A five-year planning document prepared by the LLNL Director's Office and submitted annually to the DOE that describes LLNL's mission and program activities.

*Continued on next page*

Institutional Point of Contact	IPOC	The office at each of the three UC-managed DOE Laboratories responsible for the administration of the UC Prime Contract; the Office of Contract Management (OCM) at LLNL.
Internal Audit	IA	Internal UC review function located on-site at LLNL and reporting to the Laboratory Director's Office.
Lawrence Berkeley Laboratory	LBL	A Government-Owned Contractor-Operated research and development laboratory funded by the DOE and operated by the UC under Contract 98.
Lawrence Livermore National Laboratory	LLNL or Laboratory	A Government-Owned Contractor-Operated research and development laboratory funded by the DOE and operated by the UC under Contract 48.
Los Alamos National Laboratory	LANL	A Government-Owned Contractor-Operated research and development laboratory funded by the DOE and operated by the UC under Contract 36.
Management and Operating Contractor	M&O Contractor	Within the DOE, a contractor that is managed and operated by a third party on behalf of the DOE under contract with the DOE.
Office of Contract Management	OCM	The official LLNL point-of-contact responsible for Contract 48 administration; i.e., the Laboratory's IPOC.
Office of Management Review	OMR	Internal LLNL review function reporting to the Laboratory Director's Office.
Office of Primary Responsibility	OPR	The LLNL organization responsible for implementing Prime Contract compliance requirements and striving to meet performance measurement goals.
Operational Requirements		Requirements that may be imposed by DOE on the Laboratory within DOE's authority under the Prime Contract.

*Continued on next page*



Prime Contract W-7405-ENG-48	Contract 48 or Prime Contract	Contract between the Federal Government, as represented by the DOE, and the UC for the management and operation of LLNL.
The Regents of the University of California	The Regents	The governing body of the University of California.
UC Director for Contract Management	UC/CM	The University's official point-of-contact on all matters related to the administration of the University's DOE Prime Contracts for LLNL, LBL, and LANL.
UC Executive Director for Operations	UC/EDO	Manages the UC Functional Managers and the Appendix F Laboratory self-assessment process.
UC Functional Managers	UC/FMs	Responsible for University oversight of specific administrative or operational activities at each of the three UC-managed DOE Laboratories.
UC Laboratory Administration Office	UC/LAO	Established by the President of the University to manage the University's three DOE Prime Contracts for LLNL, LBL, and LANL.
UC Special Assistant Laboratory Administration		Manages the UC/LAO and reports to the University's Senior Vice President for Administration.
Uncategorized Directive		Any DOE directive, regardless of origin, that imposes new standing operational require- ments for the Laboratory and did not come through the formal UC/LAO process.
University of California	UC or University	A separate and independent institution chartered under the constitution of the State of California and the Prime Contractor responsible for the management and operation of LLNL, LBL, and LANL.

# Appendix B—Types of DOE Directives

## CO Directives

<b>Introduction</b>	<p>This appendix describes the more common types of Contracting Officer (CO) directives issued by the DOE.</p>
<b>Definition</b>	<p>CO directives are documents issued by DOE for the purpose of imposing standing operational requirements and obligations on the University, and therefore the Laboratory, in the performance of work under the Prime Contract.</p> <p>CO directives:</p> <ul style="list-style-type: none"><li>• define DOE's authority over its departmental elements (DOE itself) and contractors (like LLNL);</li><li>• may establish or change policies, organizations, methods, standards, or procedures;</li><li>• may guide, instruct, or inform DOE and contractor employees; and/or</li><li>• may provide information essential to departmental and/or contractor operations.</li></ul>
<b>Not Included</b>	<p>CO directives do not include temporary written instructions issued by the DOE Contracting Officer for the purpose of addressing short-term or urgent DOE concerns related to security, safeguards, health, safety or the environment.</p>
<b>DOE Standards</b>	<p>DOE standards are a prescribed set of rules, conditions, and requirements concerned with the classification of components; delineation of procedures; specification of materials, products, performance, design, or operations; or the definition of terms or measures of quality and quantity in describing materials, products, systems, services, or practices. They are issued by DOE for application within DOE and are identified as a standard and normally bear a standard number, title, and issue date. DOE standards are normally issued as guidance only and therefore are not legally binding under Contract 48. Under such circumstances, DOE standards are not considered CO directives. If, however, a DOE standard, or other standardization document (e.g., handbook, guide, manual, etc.), is intended to be binding on the UC and LLNL, it must be handled under the directives process described herein. Published DOE standards are available through the Laboratory's Engineering Information Center.</p>

# DOE Orders

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**Definition**

A DOE order is a CO directive issued by DOE/HQ to state a policy or approved procedure, establish standards of operation, delegate authority, or establish a permanent organization. A DOE order is specifically designated as such, carries a DOE order number, issue date and subject, and is issued through the approved DOE order process.

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**Order Numbers**

DOE order numbers consist of four digits followed by a period with possibly one to three alphanumeric characters after the period. Each number change is a separate and distinct DOE order. The use of an alphabetical character at the end of a DOE order number indicates the latest revision of a given DOE order issued by DOE/HQ.

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**Example**

Within the 1360 series of DOE orders having to do with computing resources, there are separate and distinct DOE orders that address specific computing resource subjects.

Order No.	Subject
1360.1A	Acquisition and Management of Computing Resources
1360.2A	Unclassified Computer Security Program
1360.3B	Automatic Data Processing Standards
1360.4B	Scientific and Technical Computer Software

Clarification: The “A” or “B” at the end of the number sequence is the latest revision of the order issued by DOE/HQ; i.e., 1360.1A replaced 1360.1, 1360.4B replaced 1360.4A, and so on.

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*Continued on next page*

## DOE Orders, continued

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<b>DOE Order Checklist</b>	DOE Order 0000.2D, entitled <i>Directives Checklist and Cross-Reference Index as of 2-12-91</i> , or any revision thereto, provides a complete listing of DOE orders by number, subject, and issue date as of February 12, 1991. Although the listing may be out of date, it is a good reference document for understanding the magnitude and organization of DOE orders.
<hr/>	
<b>Change Orders</b>	<p>Minor changes to a DOE order are usually handled by a change order, not a complete reissuance of the order (as indicated by an alphabetical character at the end of the order number). Change orders</p> <ul style="list-style-type: none"><li>• reference the applicable DOE order number and subject,</li><li>• are identified as a change order and numbered 1 through N (e.g., change order 1, change order 2, etc.), and</li><li>• bear an issue date.</li></ul>

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## Management Directives

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<b>Description</b>	<p>DOE/OAK has the authority to issue its own Management Directives (MDs) that:</p> <ul style="list-style-type: none"><li>• Supplement DOE orders,</li><li>• Assign local responsibilities and authorities, and</li><li>• Prescribe procedures unique to its organization and contractor community.</li></ul> <p>The number sequence and subject of the MD is normally identical to the DOE order it supplements.</p>
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## DOE Notices

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<b>Description</b>	DOE notices are issued as needed by DOE/HQ to institute temporary policies, procedures, or guidance to the DOE community. Notices use a similar numbering sequence to DOE orders, but are separate and distinct CO directives. A notice is indicated by an “N” before the first digit of the notice number. They typically have a one-year life and, as such, include an issue and termination date. Notices can, however, be extended through the issuance of a new notice.
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## Secretary of Energy Notices (SENs)

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<b>Description</b>	<p>SENs are notices from the Secretary of Energy used to quickly disseminate</p> <ul style="list-style-type: none"><li>• instructions,</li><li>• guidance,</li><li>• responsibilities, and</li><li>• authorities</li></ul> <p>to DOE departmental elements and contractors.</p>
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## Other CO Directives

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<b>Description</b>	<p>Other CO directives include a variety of formal written instructions from DOE/HQ and/or DOE/OAK, most commonly</p> <ul style="list-style-type: none"><li>• rules,</li><li>• regulations, and/or</li><li>• policy memoranda or written clarifications.</li></ul> <p>Rules or regulations are issued by DOE and published in the Federal Register for public comment, in accordance with the Federal Administrative Procedures Act. Policy memoranda are memoranda issued by DOE/HQ or DOE/OAK to supplement or explain a DOE policy. Policy memoranda and/or written clarifications that refer to existing operating requirements are not considered CO directives.</p>
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## **Exhibit 1 — Contract 48 Articles**

ARTICLE I	-	PREAMBLE
ARTICLE II	-	GENERAL DEFINITIONS
ARTICLE III	-	STATEMENT OF WORK
ARTICLE IV	-	UNIVERSITY ORGANIZATION (SPECIAL)
ARTICLE V	-	CONTRACT ADMINISTRATION
ARTICLE VI	-	PRINCIPLES OF OPERATION
ARTICLE VII	-	FINANCIAL MANAGEMENT
ARTICLE VIII	-	PROCUREMENT
ARTICLE IX	-	PROPERTY MANAGEMENT
ARTICLE X	-	PERSONNEL AND BENEFITS
ARTICLE XI	-	MANAGEMENT OF RECORDS, REPORTS AND INFORMATION
ARTICLE XII	-	INTELLECTUAL PROPERTY
ARTICLE XIII	-	SAFEGUARDS AND SECURITY
ARTICLE XIV	-	ENVIRONMENT, SAFETY, AND HEALTH
ARTICLE XV	-	CONTRACT MODIFICATIONS
ARTICLE XVI	-	CONTRACT ISSUES RESOLUTION PROCESS
ARTICLE XVII	-	LITIGATION, CLAIMS, AND INDEMNIFICATION
ARTICLE XVIII	-	ASSIGNMENT, THIRD PARTIES, PRIOR RIGHTS AND OBLIGATIONS, AND MISCELLANEOUS
ARTICLE XIX	-	TERMINATION
ARTICLE XX	-	ENTIRE AGREEMENT; CONTRACT MODIFICATION

## **Exhibit 2 — Contract 48 Appendices**

APPENDIX A	-	PERSONNEL ADMINISTRATION
APPENDIX B	-	SPECIAL BANK ACCOUNT AGREEMENT
APPENDIX C	-	TREATIES OR INTERNATIONAL AGREEMENTS
APPENDIX D	-	SMALL BUSINESS AND SMALL DISADVANTAGED BUSINESS SUBCONTRACTING PLAN
APPENDIX E	-	REAL AND PERSONAL PROPERTY MAINTENANCE PROGRAMS
APPENDIX F	-	OBJECTIVE STANDARDS OF PERFORMANCE
APPENDIX G	-	TREATMENT OF DOE ORDERS
APPENDIX H	-	RESERVED
APPENDIX I	-	RESERVED
APPENDIX J	-	RESERVED
APPENDIX K	-	MISSION STATEMENT
APPENDIX L	-	SENSITIVE FOREIGN NATIONS CONTROL

# Exhibit 3—Directive Acceptability Worksheet

## 1.0 DIRECTIVE IDENTIFICATION

Directive Number:_____	Change Number:_____
Directive Title:_____	
Issuance Date:_____	Functional Category:_____
UC FM/Reviewer:_____	Lab FM/Reviewer:_____

## 2.0 PREDECESSOR DIRECTIVE

Predecessor Directive in Appendix G?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Predecessor Number:_____	Predecessor Section:_____	

## 3.0 APPLICABILITY ANALYSIS

Applicable ?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
If No, <input type="checkbox"/> not applicable to M&O Contractors		
<input type="checkbox"/> no applicable condition or activity at Laboratory		

## 4.0 ACCEPTABILITY TESTS *(check all that apply and attach justification):*

4.1	Article XV, Cl. 3:
A.	<input type="checkbox"/> Unacceptable impact on the quality of science
B.	<input type="checkbox"/> Unacceptable impact on intellectual and scientific freedom
C.	<input type="checkbox"/> Violates no gain/no loss principle
D.	<input type="checkbox"/> Exposes the University to an unacceptable legal risk
E.	<input type="checkbox"/> Involves insufficient specification of standards
4.2	Other Clauses:
A.	<input type="checkbox"/> Is outside the general responsibilities of the University for management and operation of Laboratory facilities and site, including but not limited to furnishing intellectual leadership and necessary personnel and management expertise <i>(Article III, Cl. 2)</i>
B.	<input type="checkbox"/> Is counter to enhanced University management efforts <i>(Article VI, Cl. 5)</i>
C.	<input type="checkbox"/> Is counter to public affairs and new release policies and procedures <i>(Article VI, Cl. 7)</i>
D.	<input type="checkbox"/> Is counter to Contract on ownership of records <i>(Article VI, Cl. 10)</i>
E.	<input type="checkbox"/> Is counter to DOE conduct of oversight work <i>(Article VI, Cl. 11)</i>
F.	<input type="checkbox"/> Is counter to other Contract clauses or appendices <i>(cite contract reference)</i>



**5.0 ACCEPTANCE RECOMMENDATION** (*choose one*)

- A. ☐ Accept as is
- B. ☐ Accept as modified directive (*specify and justify*)
- C. ☐ Not applicable to M&O Contractors (*justify*)

**6.0 IMPLEMENTATION ISSUES** (*attach description*)

- A. ☐ Already implemented
- B. ☐ To be implemented within six months of acceptance into Contract
- C. ☐ Appropriate for overhead funding but not of sufficient priority to be currently funded
- D. ☐ Program funding request to be made or has been made through the FTPA/FWPA/5-Year Plan/Construction Data Sheet, etc.
- E. ☐ Directive, in whole or in part, to be implemented using a graded approach
- F. ☐ Section(s) of directive not applicable because:
  - 1. ☐ Not applicable to M&O Contractors (*cite section[s]*)
  - 2. ☐ No applicable condition or activity at Laboratory (*cite section[s]*)

**7.0 IMPLEMENTATION PLAN REQUIREMENTS**

- A. Implementation Plan (IP) required
  - ☐ Yes    ☐ No    ☐ Already issued \_\_\_\_\_ (*date*)
- B. Anticipated issue date for IP \_\_\_\_\_

**8.0 ATTACHMENTS** (*List attachments provided where required to justify or describe any of the above conditions.*)


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